

<b>TRAINING AND EMPLOYMENT NOTICE</b>	NO. 2-04
	DATE August 12, 2004

**TO:** All STATE WORKFORCE AGENCIES  
 All STATE WORKFORCE LIAISONS  
 All STATE ONE-STOP CENTER SYSTEM LEADS  
**FROM:** *Maria K. Flynn*  
 MARIA K. FLYNN  
 Administrator  
 Office of Policy Development and Research

**SUBJECT:** Announcement of a National Study of the  
 Unemployment Insurance (UI) Benefits Program

1. **Purpose.** The Employment and Training Administration (ETA) is pleased to announce commencement of a major 5-year Study of the UI Benefits Program. ETA has contracted with IMPAQ International, LLC ("IMPAQ") of Columbia, MD to conduct the comprehensive study. The study will examine characteristics of individuals who receive UI, macro-economic and micro-economic effects of UI benefits, and other effects of the UI benefits programs administered by the states on claimants, employers, and the economy. The multi-year study will involve a sample of 25 states, and states will be asked to participate in various components of this national study. Throughout the life of the research effort, state workforce agencies, partners, and stakeholders will receive continuing updates on the study's progress.

2. **References.** Social Security Act, Titles III, IX and XII, as amended; Federal Unemployment Tax Act, as amended; Wagner-Peyser Act, as amended; sections 171 and 172 of the Workforce Investment Act of 1998.

3. **Research Goals.** The goals of this comprehensive study are to examine: (a) the impact of changes in the labor market, population, and economy pertinent to the UI program; (b) detailed characteristics of who does and does not receive UI benefits; (c) macro-economic and micro-economic impacts of the UI program; and (d) the role of state UI programs, including reemployment services, on claimants' and employers' behavior. The results of this study will inform federal and state policymakers and help shape UI program policy for the 21<sup>st</sup> century.

4. **Research Tasks.** The tasks of this study include an examination of labor market trends and past UI research, data collection, data analysis, and micro- and macro-economic analyses. The data

for this study are being derived from (a) states' UI administrative data, (b) surveys of claimants, (c) a supplement to the Current Population Survey, and (d) other pertinent surveys or data as the various components merit. Acquisition of relevant state UI data, and cooperation and input from states, are keys to success for the research effort.

5. **Request for State Participation.** There are several ways for states to participate in the UI research study. Most importantly, the study will require administrative data from 25 states to enable researchers to construct a nationally representative sample. ETA's authorized contractor, IMPAQ, will be contacting all state workforce agencies in writing in the near future describing the study and seeking states' participation and use of UI administrative data. IMPAQ will offer modest, reasonable compensation for collection and use of the data. Following receipt of administrative data from states, IMPAQ will seek to conduct surveys of a random sample of UI claimants, as well as interviews with employers and state and local officials, in accordance with state and federal confidentiality requirements.

6. **Research Time Frame.** The research effort began in July 2004, and is authorized for five years. Throughout the contract effort, IMPAQ will provide periodic briefings and intermediate reports for the various components of the study that will be distributed. An overall final report is expected in 2009.

7. **Action Requested.** States are requested to: (a) review and convey the information contained in this issuance to state UI components and other state and local workforce partners, as appropriate, (b) participate in the UI Benefits Program study when contacted by IMPAQ; and (c) cooperate with IMPAQ in coordinating state data collection and survey activities for this research.

8. **Inquiries.** States seeking to participate or to obtain more information about this study may directly contact Wayne Gordon, Federal Project Officer, in the Office of Policy Development, Evaluation and Research, Employment and Training Administration, at (202) 693-3179, or [Gordon.Wayne@dol.gov](mailto:Gordon.Wayne@dol.gov).